



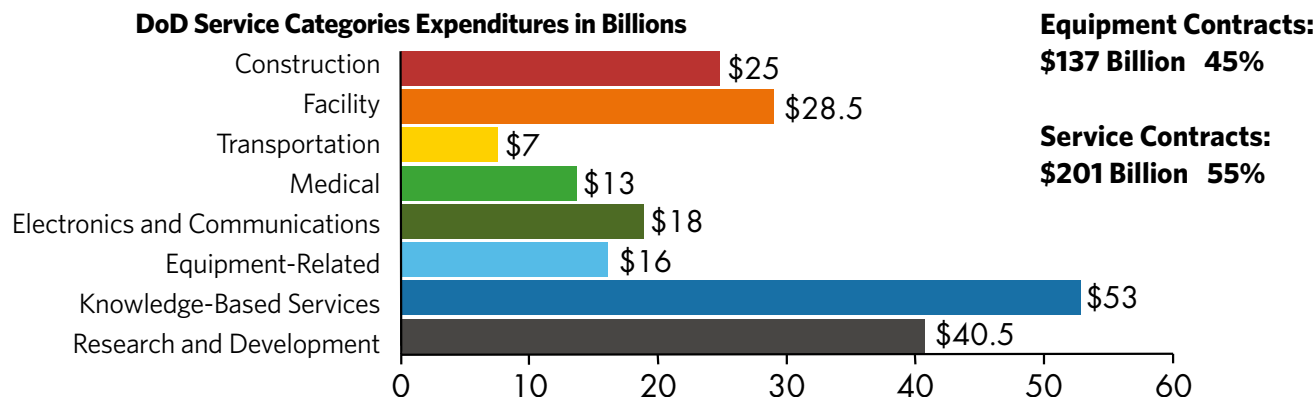
## Acquisition of Services: A Standard Process

*Dennis J. Beers*

Many of us are familiar with the memos and directives from Under Secretary of Defense for Acquisition, Technology and Logistics Dr. Ashton B. Carter regarding "Improving the Tradecraft in Services Acquisition." The Defense Acquisition University (DAU) has taken a leading role in developing a process to train the acquisition community on how to more effectively acquire services. With over half of the total expenditures across DoD going toward the acquisition of services (\$212.8 billion) in FY09, educating the workforce engaged in services is critical. In fact, the total expenditure of services has exceeded spending on supplies and equipment for more than 10 years (Figure 1). This article will discuss the process DAU is currently using in its curriculum and some of the tools available to anyone involved in the acquisition of services.

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**Figure 1. FY10 Dollars Spent  
DoD Total Contract Expenditures: \$367 Billion**



Source: Federal Procurement Data System Next Generation

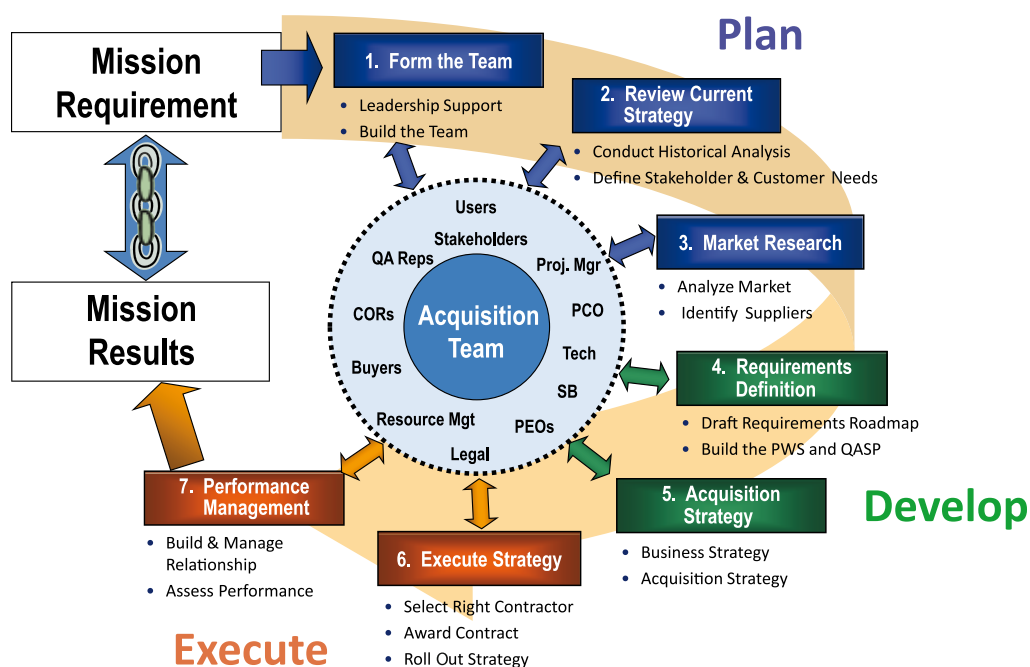
In the services acquisition arena, the core of DAU's training is the Services Acquisition Workshop (SAW). DAU has typically conducted two workshops per month since October 2009 for all branches of the Armed Forces and several DoD agencies. The SAW is designed as a just-in-time team workshop to facilitate a specific acquisition team and its requirements through a seven-step services acquisition process (Figure 2). During the 4-day workshop, the team receives training on how to develop and execute performance-based services requirements and can directly apply the learning to its specific requirement. The goals of the SAW are to help acquisition teams:

- Develop more effective and measureable performance-based requirements for services.
- Align acquisition strategies to achieve the desired mission results.
- Understand the importance of taking a team approach to their requirement.
- Focus on applying the principles of performance-based acquisition.

The process begins with a mission requirement for a service essential to the successful execution of the organization's mission. The services acquisition process consists of three phases—planning, development, and execution—with each phase building upon the previous one.

The planning phase, as depicted in steps 1, 2, and 3 of Figure 2, lays the foundation for the services acquisition. During the planning phase, the acquisition team is formed and obtains the time and resources required to support the acquisition. The team will then baseline and analyze its current services strategies, identify problem areas and projected mission changes, and solicit a requirements definition from stakeholders to define the key performance outcomes expected from the services acquisition. The team also analyzes the marketplace to assess current technology and business practices, competition and small business opportunities, and existing and potential new sources of providing the service; the team then determines if commercial buying practices can be used.

**Figure 2. Service Acquisition Plan**



**Figure 3. Defense Acquisition University Service Acquisition Mall (SAM)**

DAU's Service Acquisition Mall (SAM) is intended to help you get your job done by providing usable tools and templates to create your performance-based service acquisition requirements. Each of the "Wings" on the Mall Map below contains information related to a category of services.



Seven Steps to the Service Acquisition Process						
STEP ONE	STEP TWO	STEP THREE	STEP FOUR	STEP FIVE	STEP SIX	STEP SEVEN
Form the Team	Review Current Strategy	Market Research	Requirements Definition	Acquisition Strategy	Execute Strategy	Performance Management

During the development phase—steps 4 and 5—a requirements roadmap process is used to define performance objectives and standards, allowable variations, and method of performance assessment. After the team completes the roadmap, team members will then be in the best position to develop a Performance Work Statement (PWS) and Quality Assurance Surveillance Plan (QASP). During this phase, they will also identify their funding sources, develop a government cost estimate of the required service, and solicit industry feedback on their working documents. Finally, the team will develop an acquisition strategy that leverages contract type and performance incentives to deliver a best-value mission performance to the customer. The basic performance principle is to tell the contractor what the performance results are, not how to do the job. Let industry develop the solution.

In the execution phase—steps 6 and 7—the team puts all the customer's planning and development efforts into action. Team members create a solicitation document that formally communicates to industry the customer's requirements and business plan. The team then receives contractor proposals detailing how each contractor proposes to meet the customer's performance objectives. After all the proposals are in, the team evaluates the contractors' proposals against criteria that will best determine the success of a potential contractor's approach. After contract award, the service provider should become the customer's strategic partner in driv-

ing innovation and improvements to mission performance outcomes. This part of the process involves two key areas: administering contract requirements, such as invoicing and payments, and managing the relationships and expectations of both the contractor and customers in meeting the terms of the contract and achieving the required mission performance results. At this point, the customer also starts the planning phase for a follow-on acquisition if a continuing need exists for the service being provided.

This seven-step process has been incorporated into the DoD Guidebook for the Acquisition of Services, which has been rewritten by the members of the DAU Services Acquisition Directorate. The guidebook is currently going through the coordination process within DoD. Not only does this describe each step in detail, it also provides practical examples to assist the acquisition team as it goes through the planning, developing, and execution phases of the acquisition of services process.

Several other DAU learning assets have incorporated this same process. The ACQ 265 classroom course (Mission-Focused Services Acquisition) is similar to the SAW and is now working real-world requirements with the students. A couple of online courses also are available for anyone to learn more about the acquisition of services. These include Continuous Learning Curriculum (CLC) 013-Services Acquisition and CLC



## A Six-pack of Tips for Defense AT&L Authors

**1** Look at back issues of the magazine. If we printed an article on a particular topic a couple of issues ago, we're unlikely to print another for a while—unless it offers brand new information or a different point of view.

**2** We look on articles much more favorably if they follow our author guidelines on format, length, and presentation. You'll find them at <[www.dau.mil/pubs/dam/DAT&L%20author%20guidelines.pdf](http://www.dau.mil/pubs/dam/DAT&L%20author%20guidelines.pdf)>.

**3** Number the pages in your manuscript and put your name on every page. It makes our life so much easier if we happen to drop a stack of papers and your article's among them.

**4** Do avoid acronyms as far as possible, but if you must use them, define them—every single one, however obvious you think it is. We get testy if we have to keep going to *acronym finder.com*, especially when we discover 10 equally applicable possibilities for one acronym.

**5** Fax the *Certification as a Work of the U.S. Government* form when you e-mail your article because we can't review your manuscript until we have the release. Download it at <[www.dau.mil/pubs/dam/DAT&L%20certification.pdf](http://www.dau.mil/pubs/dam/DAT&L%20certification.pdf)>. Please don't make us chase you down for it. And please fill it out completely, even if you've written for us before.

**6** We'll acknowledge receipt of your submission within three or four days and e-mail you a publication decision in four to five weeks. No need to remind us. We really will. Scout's honor.

**With over half of the total expenditures across DoD going toward the acquisition of services (\$212.8 billion) in FY09, educating the workforce engaged in services is critical.**

106-Contracting Officer Representative. Both of these also follow the seven-step process.

DAU has also developed the Services Acquisition Mall (SAM), an easy-to-access, easy-to-understand site with knowledge, training, templates, and tools to help develop effective services acquisitions. SAM (Figure 3) also integrates the seven-step process and uses a shopping-mall construct as an easy way of graphically grouping similar types of services. These groupings of services align with Under Secretary of Defense for Acquisition, Technology and Logistics Dr. Ashton Carter's taxonomy for services. SAM provides a convenient way to share best practices, templates, and training. The website was launched in January 2010 and can be accessed at <https://sam.dau.mil>. SAM, which can be used by anyone, hosts training videos on each step of the services acquisition process and also many of the products that are developed during each phase. The training is even downloadable as MP4 files to play on any compatible piece of equipment. Still being refined is the Automated Requirements Roadmap Tool, which is similar to a TurboTax® tool; it uses a standardized template to develop the PWS and QASP.

To obtain more information on any of the courses offered by DAU on the acquisition of services or the SAM, contact either Lyle Eesley, director, Center for Services Acquisition ([eesley@dau.mil](mailto:eesley@dau.mil)), or Dennis Beers, deputy director ([dennis.beers@dau.mil](mailto:dennis.beers@dau.mil)). They can also be reached at 703-805-4853 or 703-805-5137, respectively.

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